



# Colorado Economic Update

January 28, 2016

## Summary

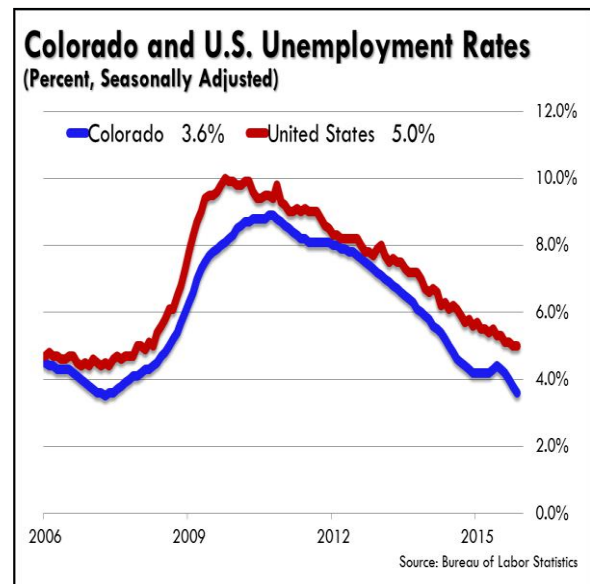
Nonfarm payroll employment in Colorado increased by 10,700 jobs and the unemployment rate decreased to 3.5 percent in December according to data released by the Bureau of Labor Statistics (BLS).

## Colorado Unemployment Rate

During December, the unemployment rate in Colorado decreased to 3.5 percent. The number of people counted as unemployed decreased by 2,600 in December to 99,400, while the labor force increased by 7,700 to 2,819,200.

The 10-year peak, also the series high, for the unemployment rate in Colorado was 8.9 percent in October 2010. The 10-year low for the unemployment rate in Colorado was 3.5 percent in December 2007. The series low for the unemployment rate in Colorado occurred in December 2000 when the unemployment rate reached 2.7 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



## Colorado Payroll Employment

Colorado nonfarm payrolls increased by 10,700 jobs, or 0.4 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls decreased by 1,800. Over the past 12 months nonfarm payrolls in Colorado increased by 46,600, or 1.9 percent. Colorado nonfarm payroll employment has increased in 9 of the past 12 months.

Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

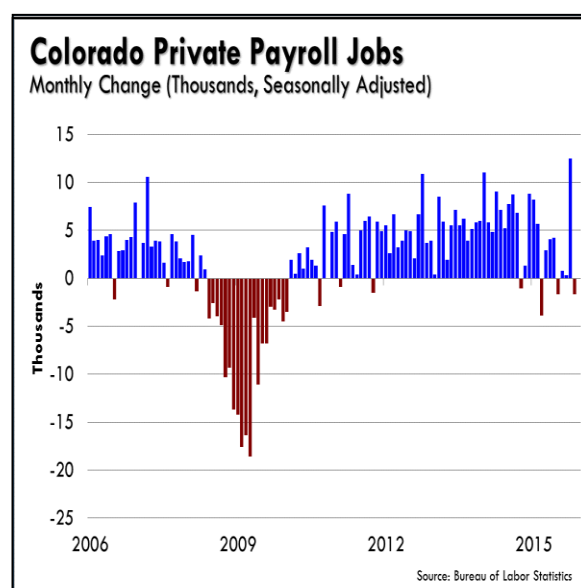
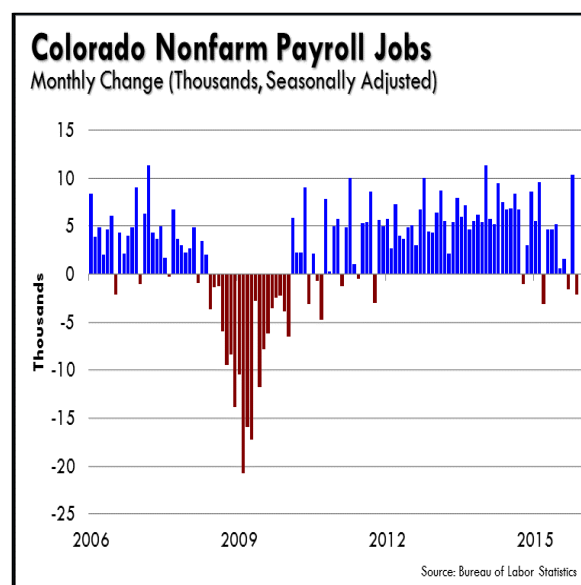
During December, Colorado private-sector payrolls increased by 10,000, or 0.5 percent. Private-sector payrolls decreased by 1,800 jobs in the prior month. Over the past 12 months, private-sector payrolls in Colorado increased by 41,300, or 2.0 percent. Colorado private-sector payroll employment has increased in 9 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Colorado increased by 700, or 0.2 percent. Federal government payroll employment increased by 300, or 0.6 percent. State government payroll employment decreased by 200, or 0.2 percent, while local government payroll employment increased by 600, or 0.2 percent.

Over the past year, total government payroll employment increased by 5,300, or 1.3 percent. State government payroll employment increased by 2,300, or 2.1 percent. Local government payroll employment increased by 1,900, or 0.8 percent.

The best performing sectors on a seasonally adjusted basis during December were Construction (+2,700) and Leisure and Hospitality (+2,500). The poorest performing



sectors during the month were Professional and Business Services (+100) and Education and Health Services (+200).

The best performing sectors during the last twelve months were Leisure and Hospitality (+16,000) and Construction (+11,700). The poorest performing sectors for the year were Professional and Business Services (-5,400) and Trade, Transportation, and Utilities (+500).

### Other Colorado Labor Force Statistics

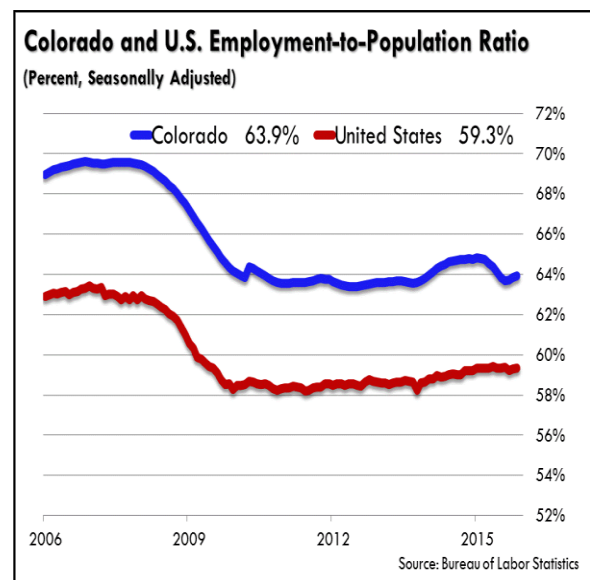
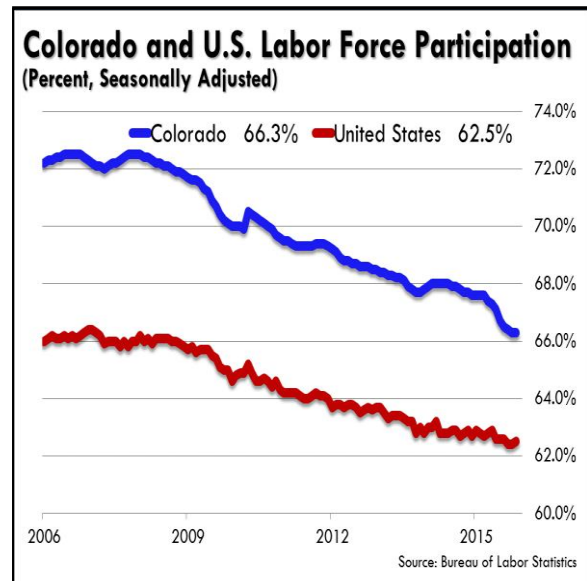
The labor force participation rate in Colorado increased to 66.4 percent in December. The labor force participation rate in Colorado is down from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Colorado was 72.5 percent in January 2008. The series high for the labor force participation rate in Colorado occurred in August 1998, when the labor force participation rate hit 74.5 percent. The 10-year and series low for the labor force participation rate was 66.3 percent in November 2015.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Colorado civilian noninstitutionalized population 16 years and older counted as employed, increased to 64.1 percent in December.

The 10-year high for the employment-to-population ratio in Colorado was 69.6. The series high for the employment-to-population ratio in Colorado occurred in October 1998 when the employment-to-population ratio hit 71.7 percent. The 10-year low for the



employment-to-population ratio was 63.4 percent in June 2012. The series low for the employment-to-population ratio occurred in August 1976 when the employment-to-population ratio hit 62.6 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14<sup>th</sup>. The national employment situation report for January will be released on Friday, February 5<sup>th</sup>.